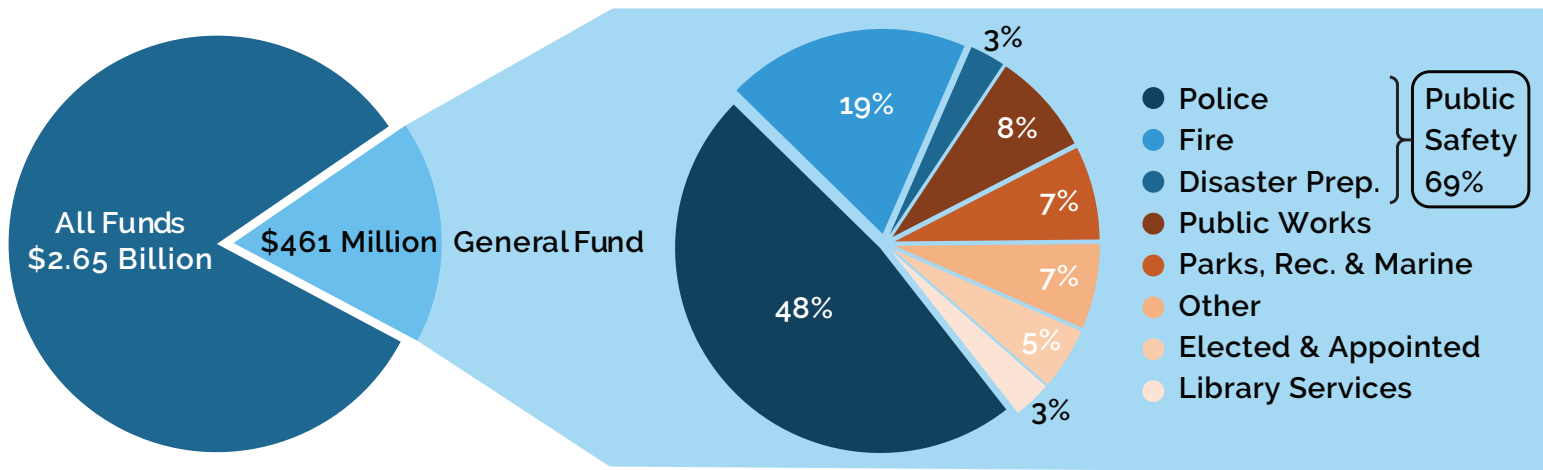


This handout summarizes the City Manager's FY 18 Proposed Budget that has been presented to the Mayor and City Council for consideration. The FY 18 Budget must be adopted by the City Council by September 15, 2017. Please see the back page for information on how you can share your preferences with us.

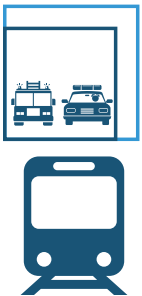
## CITY BUDGET

The only portion of the City's \$2.65 billion budget that is completely discretionary is the General Fund. The General Fund accounts for only 17 percent (\$461 million in ongoing operating costs) of the FY 18 Proposed Budget.



## BUDGET HIGHLIGHTS

The General Fund budget is structurally balanced and contains significant investments in public safety and infrastructure. The budget also focuses on homelessness, clean city services, economic development, arts and culture, technology and innovation as described below.



### Enhanced Public Safety – Long Beach's Highest Priority

Measure A continues to fund services reestablished in FY 17: South Police Division, Fire Engine 8, Paramedic Rescue 12, and Police Academy operations. Additionally, Measure A is being used to maintain existing Police and Fire services. Measure A also funds \$1.0 million for the Neighborhood Safe Streets Initiative, \$4.3 million to support fourth back-to-back Police academy, and \$750,000 for safety camera network modernization and expansion. With other funds, a new contract with Metro for Blue Line enforcement will add 28 new Police positions. In the Fire Department, the budget structurally funds the HEART Team, as well as two firefighter/investigators added to conduct marijuana-related inspections. A Fire Academy is also funded.



### Investment in Public Infrastructure

Measure A allows the City to make an investment of \$26.3 million in FY 18 to address the City's aging infrastructure. These funds supplement the City's Capital Improvement Program (CIP) for a total capital investment of \$95.6 million investing in streets, alleys, sidewalks/curbs, parks, libraries, and various facilities citywide. The budget also includes a new pothole crew for enhanced response to pothole requests.



## Addressing Homelessness

Currently, the City is spending \$10 million to address homelessness from a variety of Federal, State, City and other sources for services such as permanent supportive housing, transition housing, rapid rehousing, homeless veterans initiative, and Multi-Services Center (MSC) support. This budget also uses \$1.4 million of Measure MA marijuana taxes to structurally fund homeless rapid response activities, such as the Fire Department's HEART team and the Police Department's Quality of Life teams, outreach to the homeless, and homeless encampment clean-up. Voter-approved Measure H will also provide additional revenues to combat homelessness.



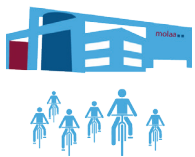
## Clean Team Operations and Refuse Funding

This budget includes the addition of two Clean Teams, for a total of four. Additionally, staff is recommending implementing a fee increase, which will be the first of a multi-year strategy to reach structural balance for the fund. With the increase, Long Beach's refuse rates will still be lower than comparable full-service cities.



## Focus on Economic Development

The City is experiencing \$2.5 billion of private investment and economic development is a large part of our strategy to continue to grow the revenue base and help balance future budgets. The restructured Economic Development Department's mission is to provide economic opportunities for workers, investors, and entrepreneurs. Two new staff positions have been added for oversight and maintenance of city-owned properties and a new position to minimize wait time at permit center.



## Investments in Arts and Culture

The FY 18 budget includes \$1 million in one-time funds for a new wayfinding signage program, and \$500,000 to conduct two Beach Streets events in FY 18. The Long Beach Convention and Visitors Bureau (CVB), the Arts Council, the Long Beach Museum of Art will also receive additional support. These are all funded by hotel tax revenues.



## Funding City Council Priorities

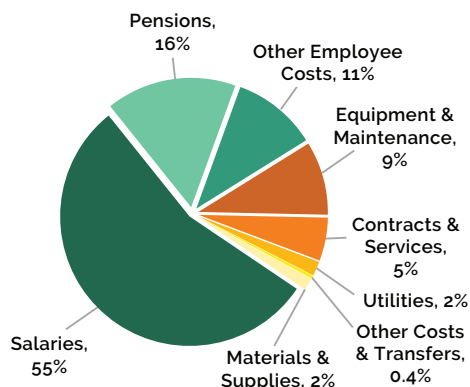
The budget includes funding for Language Access Plan, Be SAFE, Sunday library hours, the Municipal Band, Animal Care Services, the Office of Aging, and the Office of Equity.



## Technology, Innovation and Efficiencies

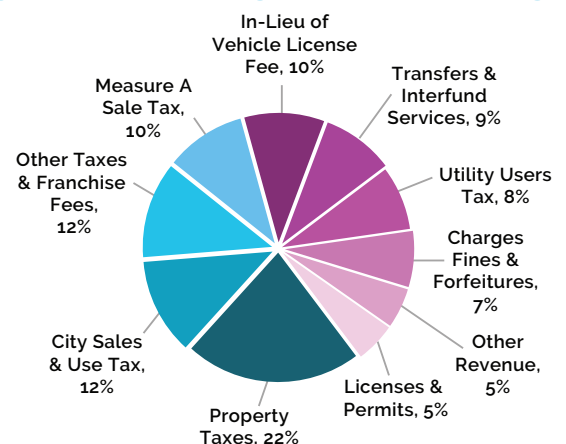
The Bloomberg Innovation Team grant is expiring and a reorganized i-team will be available to assist departments to address high-priority issues. In addition, City departments will be undertaking a number of efficiency-oriented initiatives in areas such as technology, sustainability, and service provision. Technology investments include a single phone number for all city services, enhanced open data portal, a new online interviewing system, and a new online public records management system.

## GENERAL FUND EXPENDITURES



82 percent of General Fund expenditures are used to pay the salaries and benefits of the employees that perform City services. All other General Fund expenditures account for 18 percent.

## GENERAL FUND REVENUES



The General Fund primarily relies on general tax revenue. In FY 18, approximately 59 percent of all General Fund Revenues come from taxes. The City receives 21 percent of L.A. County property taxes.

# OUTLOOK & PLAN FOR STRONG FINANCIAL MANAGEMENT

The FY 18 budget was challenging to structurally balance due to a combination of sharply higher pension costs, employee pay increases, and general cost increases, coupled with a softening of revenue growth. Expenses are projected to continue to outpace revenues, and we are facing a shortfall of \$19.1 million over a three-year period (FY 18 – FY 20). Measure A was essential to maintain public safety and substantially improved this outlook. Addressing the projected shortfalls will be a priority in FY 18.

General Fund Surplus/ Shortfall (in \$ Millions)			
FY 18 Projection	FY 19 Projection	FY 20 Projection	Cumulative
0.10	(10.40)	(8.70)	(19.10)

## CONSIDERATIONS FOR THE FUTURE

- Expenditures growing faster than revenues
- The price of oil, extraordinary pension cost increases, and future employee bargaining agreements
- Litigation remains a significant challenge
- Unfunded needs in technology and other infrastructure/asset needs
- New initiatives
- Occupancy of the new civic center and associated development
- Federal and State actions
- Impact of Measure A and Measure MA (Marijuana)
- Impact of continued economic development

## STRATEGIES FOR THE FUTURE

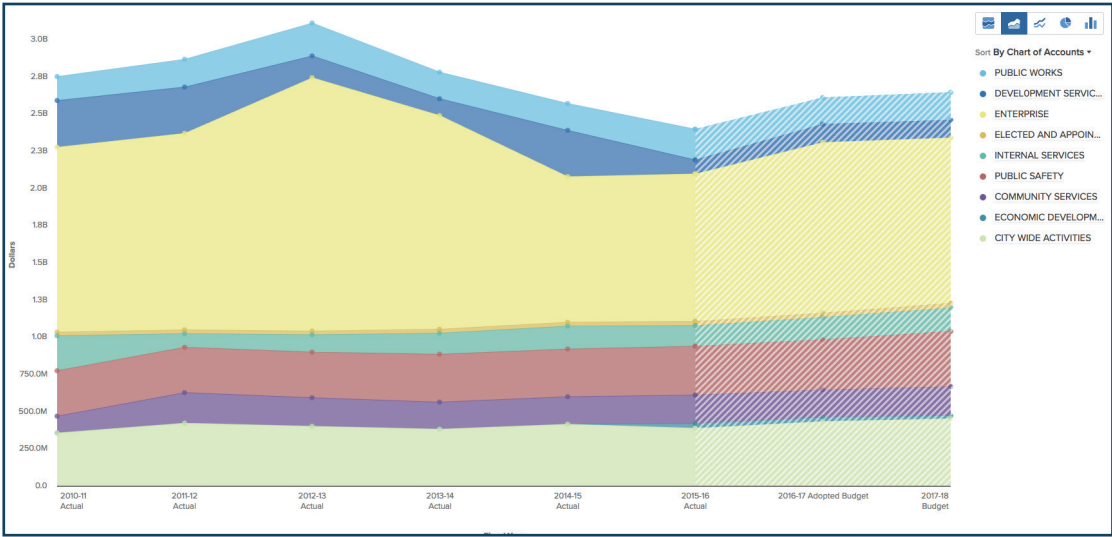
- Focus on strong economic development aided by \$2.5 billion of private investment
- Continue strong financial management by structurally balancing budgets and placing 5% of one-time revenues in unfunded liability reserve
- Develop short-term and long-term plans to address City's operational, infrastructure, and other one-time needs as a priority in FY 18
- Ensure reserves are funded within the City Council-approved policy levels
- Continue focus on innovations, exploring cost reductions, and ways to maximize existing and new revenues



# COMMUNITY ENGAGEMENT OPPORTUNITIES

There are a variety of ways to participate in the FY 18 Proposed Budget process. Visit [longbeach.gov](http://longbeach.gov) or call (562) 570-6425 for information.

- **READ THE BUDGET BOOK**  
Available online in full length or summary format at [longbeach.gov](http://longbeach.gov)
- **EXPLORE THE BUDGET VISUALLY**  
Use OpenLB to explore the Proposed Budget at [longbeachca.opengov.com](http://longbeachca.opengov.com).



- **ATTEND A BUDGET MEETING & SHARE YOUR THOUGHTS IN PERSON**  
See calendar online at [longbeach.gov](http://longbeach.gov)
- **TAKE THE LONG BEACH BUDGET PRIORITY SURVEY**  
This simple survey lets you identify what the City's General Fund priorities should be. Go to [longbeach.gov/budgetsurvey](http://longbeach.gov/budgetsurvey).

Please check one box for each service.

	Very Important	Somewhat Important	Not Very Important	Not at All Important	No Opinion
Providing free or low-cost recreation programs for youth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintaining and repairing public buildings (community and senior centers, fire stations, libraries, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing special events and programs for families	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintaining a low crime rate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Preparing the community for emergencies or disasters	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing programs for seniors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintaining parks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

- **SHARE YOUR THOUGHTS ONLINE**  
[@CityofLongBeachCA](https://www.facebook.com/CityofLongBeachCA) on Facebook, [@LongBeachCity](https://twitter.com/LongBeachCity) on Twitter, and use #LBFY18.
- **CALL OR EMAIL YOUR COUNCILMEMBER**  
See online directory at [longbeach.gov](http://longbeach.gov)